on the economy in the absence of a viable policy to channelise the rupees counterpart of the Foreign Exchange reserves into productive use; and

(d) details of the programme, if any, to maximise the utilisation of the fund to its optimum; and also regarding regular monitoring of the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) The foreign currency assets of the Reserve Bank of India rose from US$ 6434 million at the end of March 1993 to US$ 10468 million at the end of January 1994.

(b) India's foreign exchange reserves at the end of January 1994 comprising foreign currency assests of the RBI, gold and SDRs are given below:

(US$ million)

(i) RBI's foreign currency assests	10,468
(ii) Gold	4,001
(iii) SDRs	176
Total foreign exchange reserves:	14,645

(c) Increase in foreign exchange reserves contributes to the growth in reserve money which in turn has inflationary potential. The sources of growth in reserve money can be broadly classified into Net Domestic Assets (NDA) and Net Foreign Assets (NFA). During the current financial year upto February 4, 1994 the NFA increased by Rs. 15,452 crore as against a decline of Rs. 3917 crore during the same period last year. The increase in the NFA was, however, to some extent, offset by a significant deceleration in NDA. The NDA rose by only Rs. 4,554 crore during April-February 4, 1994 as against at increase of Rs. 14,612 crore in the corresponding period of 1992-93. This has considerably moderated the inflationary impact of the increase in net foreign assests during 1993-94 so far.

(d) The inflows of foreign exchange have not been dissipated in foreign exchange expenditures but have been conserved and held as the country's reserves. The Government is constantly monitoring the movements in foreign exchange reserves.

870. [Transferred to 9th March' 94.]

Allowing the private sector to open banks

871. SHRI VIRENDRA KATARIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to allow private sector to open banks in the country, as a fact of its liberalising policy, and

(b) if so, how many licences are likely to be given under this scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) In terms of provisions of Banking Regulation Act, 1949, any person/ company intending to set up a bank has to apply in the prescribed form to Reserve Bank of India (RBI). Guidelines have been issued by RBI in January, 1993 regarding entry of new private sector banks.

(b) RBI have received 23 applications in the prescribed form for setting up new banks in the private sector. Out of these applications, RBI have so far granted 'in principle' approval to 9 applicants.

Nomination of non-officials to the Boards of Directors of Banks

872. SHRI VIRENDRA KATARIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have nominated some non-officials to the

Boards of Directors of Nationalised Banks; and

(b) if so, the names of the persons nominated so far, bank-wise, with their social background?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Yes, sir.

(b) Details of the 85 non official directors appointed to the 19 nationalised banks are as per statement.

Statement

Details of non-official directors in position on the Boards of nationalised banks

Sr. No.	Name of the Bank	Name of the non-official directors	Clause and category under which appointed.**
1	2	3	4
1.	Central Bank of India	1) Shri Ram Lal Thakar	3(f) Others*
		2) Dr. B. C. Jain, C.A.	3(f) Others*
		3) Sh. T. T. Vasu	3(f) Others*
		4) Sh. A. G. Lalani	3(f) Others*
2.	Bank of India	1) Sh. B. R.Rai	3(d) Depositor
		2) Sh. S. L. Passey	3(f) Others*
		3) Sh. S. S. Kothari, C.A.	3(f) Others*
		4) Sh. G. R. Shastri	3(f) Others*
		5) Smt. Monika Das	3(f) Others*
3.	Punjab National Bank	1) Sh. Salamat Ullah	3(d) Depositor
		2) Sh. Irshad Hussain	3(e) Artisan
		3) Sh. B.L. Dogra, C.A.	3(f) Others*
		4) Dr. S.P.S. Pruthi	3(f) Others*
		5) Smt. Krishna Kaul	3(f) Others*
4.	Bank of Baroda	1) Smt. Indira Mayaram	3(d) Depositor
		2) Sh. R. P. Joshi	3(e) Farmer
		3) Sh. A. A. Waziri	3(e) Artisan
		4) Sh. Bahura Ekka	3(f) Others*
		5) Sh. Ravi Shankar	3(f) Others*
		6) Sh. S. Chaturvedi	3(f) Others*
5.	UCO Bank	1) Sh. Manoj Joshi	3(d) Depositor
		2) Smt. Tara Gupta	3(e) Artisan
		3) Sh. Subhash Datta, C.A.	3(f) Others*
		4) Sh. Mohanjit Singh	3(f) Others*
		5) Sh. R. T. Rymbai	3(f) Others*
		6) Sh. V. V. Desai	3(f) Others*
6.	Canara Bank	1) Sh. Umesh Chandra	3(f) Others*
		2) Sh. Vipin Malik, C.A.	3(f) Others*
		3) Smt. Shagufta Khan	3(f) Others*
7.	United Bank of India	Sh. C. P. Mehra	3(d) Depositor

1	2	3	4
8.	Dena Bank	1) Sh. Dipankar Chatterji,	3(f) Others*
		2) Sh. K. N. Patel (Chaudhary)	3(f) Others*
		3) Sh. V. G. Kalantri	3(f) Others*
		4) Dr. Dharmendra Bhandari, C.A.	3(f) Others*
9.	Syndicate Bank	1) Ms. Jaya Arunachalam	3(d) Depositor
		2) Sh. P. W. Safwi	3(e) Farmer
		3) Sh. P. K. Pradhan	3(f) Others*
		4) Sh. Dinesh Mehta	3(f) Others*
10.	Union Bank of India	1) Sh. Shripal Singhi	3(e) Farmer
		2) Smt. Mallajamma	3(e) Artisan
		3) Sh. M. Kalyanasundram	3(f) Others*
		4) Sh. Vivek Mehra, C.A.	3(f) Others*
		5) Sh. Shalabh Sharma	3(f) Others*
		6) Sh. D. G. Patil	3(f) Others*
11.	Allahabad Bank	1) Smt. Suman Lata	3(d) Depositor
		2) Sh. A. N. Jaggi	3(e) Farmer
		3) Sh. P. K. Sharma	3(f) Others*
		4) Sh. P. N. Shah, C.A.	3(f) Others*
		5) Prof. M. S. Khan	3(f) Others*
12.	Indian Bank	1) Sh. S. Luharuka	3(e) Artisan
		2) Sh. P. L. Subbiah	3(f) Others*
		3) Sh. K. K. Dutt	3(f) Others*
		4) Sh. Sanjiv Kapoor, C.A.	3(f) Others*
13.	Bank of Maharashtra	1) Smt. Vinita Goswami	3(d) Depositor
		2) Smt. Mukal Jha	3(e) Farmer
		3) Sh. R. N. Dhoot	3(f) Others*
		4) Sh. Nirmal Ghosh	3(f) Others*
		5) Sh. Madan Verma, C.A.	3(f) Others*
14.	Indian Overseas Bank	1) Sh. B. A. Venugopal	3(e) Farmer
		2) Dr. (Miss) S. Vijayalakshmi	3(f) Others*
		3) Sh. C. B. Mouli, C.A.	3(f) Others*
		4) Dr. I. A. Khan	3(f) Others*
15.	Andhra Bank	1) Smt. P. V. Bonde	3(d) Depositor
		2) Sh. P. R. Naidu	3(e) Farmer
		3) Prof. R. L. Kaushik	3(f) Others*
		4) Sh. Rajkumar Nagrath	3(f) Others*
		5) Sh. P. P. Singh	3(f) Others*
16.	Corporation Bank	1) Sh. S. T. Padmanabha	3(e) Farmer
		2) Sh. V. Shetty	3(e) Artisan
		3) Sh. Y. Bhaduria	3(f) Others*
		4) Sh. P. D. Dalal, C.A.	3(f) Others*
		5) Col. Bartendra Singh	3(f) Others*
17.	Oriental Bank of Commerce	1) Sh. R. L. Dewan	3(e) Farmer
		2) Sh. H. R. Nomani	3(e) Artisan
		3) Sh. B. R. Kapoor	3(f) Others*
		4) Sh. Ashok Vij, C.A.	3(f) Others*

** The non-official directors are appointed on the Boards of the nationalised banks in accordance with the provisions contained in clause 3 of the Nationalised Banks (Management & Miscellaneous Provisions) Schemes, 1970 and 1980.

1	2	3	4
		5) Porf. Madhu Gargav	3(f) Others*
		6) Sh. Gajanand Deroliya	3(f) Others*
18.	Punjab & Sind Bank	1) Smt. Santosh Chowdhury	3(d) Depositor
		2) Sh. C. A. Thobde, C.A.	3(f) Others*
		3) Sh. A. B. Dev	3(f) Others*
19.	Vijaya Bank	1) Smt. Chandraprabha Urs	3(d) Depositor
		2) Sh. M. G. Sasidharan	3(e) Farmer
		3) Sh. B. K. Rao	3(f) Others*
		4) Sh. J. S. Kochhar	3(f) Others*

* Directors are appointed under this Clause from among persons having special knowledge or practical experience in respect of one or more matters which are likely to be useful for the working of the nationalised banks.

Amendment in SEBI Act and SCR Act

873. DR. NAUNIHAL SINGH: SHRI KRISHAN LAL SHARMA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering amendments in both the Securities and Exchange Board of India (SEBI) Act and Securities Contract Regulation Act (SCRA) rules;

(b) if so, what are the proposed amendments in both the above-mentioned acts;

(c) whether Government are considering an amendment which would compel the companies to make continuing disclosures;

(d) if so, the details thereof;

(e) whether Government are considering to remove the rule which prohibits the financial institutions to be on the Board of SEBI; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (Dr. ABRAR AHMED): (a) to (f) Government has taken no decisions on the precise scope of possible amendments to the Securities and Exchange Board of India Act and the Securities Contracts (Regulation) Act.

Expenditure Based Income-tax Scheme

874. SHRI SYED SIBTEY RAZI: Will the Minister of FINANCE be pleased to state:

(a) whether a novel expenditure based income-tax scheme has been suggested to Government, claiming mobilisation of revenues to the tune of more than Rs. 100,000 crore;

(b) if so, the details thereof;

(c) whether Government propose to consider these suggestions;

(d) if so, the details thereof and if not the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Yes Sir! Shri Vasant Sathe, President of The Indian Council for Cultural Relations has sent a proposal for expenditure based income-tax scheme for mobilisation of revenue to the tune of Rs. 1,16,500 crores.

(b) Shri Sathe, in his letter dated January 26, 1994, enclosing therewith the aforesaid expenditure based income-tax proposal has appreciated that the scheme suggested by him cannot be incorporated in the budget proposals for 1994-95. The details of the scheme include the analysis of the sources of revenue to the Government, contribution of the revenue from income-tax to the total collection, total number of assessees, the level of income escaping income-tax, presumptive income tax scheme, efficacy of the present means